Issue 130: INSIDER'S EDGE: Tax Time!—IRS Form 1095-B

Welcome back, Insiders! After a bit of a hiatus, I'm back to share some information about everyone's favorite topic—TAXES!

Thanks to a recent mailing, Medicaid recipients around the state will be receiving an unfamiliar document in the coming days, the IRS Form 1095-B. As a result, there may be an uptick in questions from consumers. Read on to get ready!

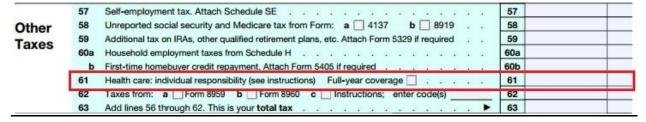
The Basics: Filing Taxes & The Individual Mandate

Under the ACA's individual mandate, everyone under sixty-five MUST have health coverage—either through Medicaid or another insurance plan. Individuals who elected *not* to get health insurance in 2015 may face a tax penalty unless they qualify for an exemption.

Any individual who had coverage that qualifies as "minimum essential coverage" in 2015 will receive an appropriate IRS Form 1095. Examples of minimum essential coverage include:

- Any job-based plan, including retiree plans and COBRA coverage
- Medicare
- Medicaid
- Maryland Children's Health Program (MCHP)
- Most individual health plans purchased outside Maryland Health Connection, including "grandfathered" plans. There are some exceptions.
- Certain types of health coverage through the Veterans Health Administration (VA) including Veteran's health care program, Civilian Health and Medical program (CHAMPVA), Spina bifida health care program, and Children of Women Vietnam Veterans program
- For individuals under 26, coverage under a parent's plan

Consumers must indicate whether they had health care coverage in 2015 when they file their taxes. Individuals using the IRS Form 1040 will indicate whether they had coverage on Line 61.



The Fine Print—IRS Form 1095

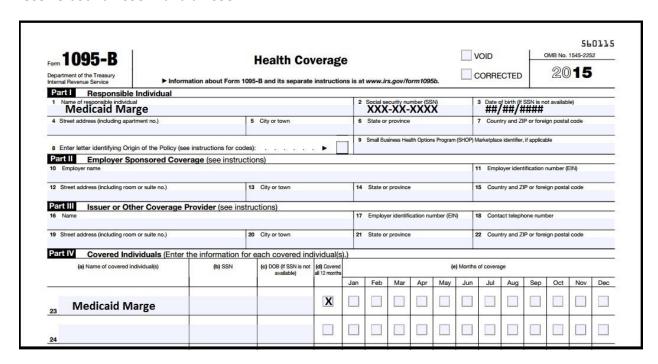
There are three different varieties of the IRS Form 1095:

- IRS Form 1095-A—Sent to individuals who purchased a qualified health plan (QHP) through Maryland Health Connection. These forms were mailed on January 31, 2016.
- IRS Form 1095-B—Sent to individuals who received coverage through Medicaid and Maryland Children's Health Program (MCHP). For individuals enrolled in these programs, forms were mailed on Tuesday, February 16, 2016.

Note: Issuers of individual market coverage, certain types of employer-sponsored coverage, and other benefits such as TRICARE and Medicare Part A are also required to provide consumers with a Form 1095-B. Some consumers may have already received a 1095-B from one of these sources.

• <u>IRS Form 1095-C</u>—Sent to individuals who received employer-sponsored coverage through a large employer.

Individuals who received coverage through multiple sources in 2015 may receive more than one Form 1095. For example, for someone who received Medicaid for part of the year and subsequently purchased a QHP because they experienced a change in income, the person will receive both a 1095-B and a 1095-A.



Here's a preview of what the 1095-B looks like. Want a closer look? Click here.

Consumer Assistance for the IRS Forms 1095-A and 1095-B

As the result of recent mailings, there may be an increase in questions from consumers about the 1095-A and 1095-B forms in the coming days.

The Maryland Health Connection (MHC) Call Center (1-855-642-8572 (TTY: 8753)) can assist with general inquiries related to the IRS Form 1095-A issued for QHP coverage and the IRS 1095-B issued for Medicaid/MCHP coverage.

If a consumer notices that their 1095 form is incorrect, the MHC Call Center can work with consumers to fix the problem and issue a corrected form.

If a consumer loses their 1095 form, the MHC Call Center can issue a new copy. Consumers can also visit their regional Connector Entity, Local Health Department, or Local Department of Social Services. Workers with access to Maryland Health Connection can search for the consumer in the system and reprint the form.

Additional Resources

- To read more about reporting health coverage on tax forms and the IRS Forms 1095-A and 1095-B, visit https://www.marylandhealthconnection.gov/taxes/. Be sure to read the Frequently Asked Questions!
- For more information on the individual mandate and what counts as minimum essential coverage, see *Issue 23: INSIDER'S EDGE: Don't forget your health insurance!*
- For more information on seeking an exemption from the individual mandate, see *Issue* 49: INSIDER'S EDGE: Seeking an exemption from the individual mandate.

See, that wasn't too bad! Questions? Send them to dhmh.medicaidmarge@maryland.gov.